



May 8, 2014

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street SW, Room TW-A325
Washington, DC 20554

Via Electronic Filing

Re: Notice of Ex Parte Presentation, Policies Regarding Mobile Spectrum Holdings, WT Docket No. 12-269, and Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions, GN Docket No. 12-268.

Ms. Dortch:

On May 7, 2014, Morgan Reed, Executive Director of ACT | The App Association, met with Renee Gregory, Legal Advisor, Engineering and Technology, Wireless, and Incentive Auction for Commissioner Wheeler regarding the above proceeding.

During the meeting, Morgan discussed the importance of an open spectrum auction to ensure that consumers and our app developers were able to maximize the reach of the networks that power our mobile devices. Our members are unique in that we are not concerned which company wins. Our request to the FCC is simple: we want more spectrum in more places immediately.

ACT is concerned that unnecessary restrictions on the auction could affect build out and capacity. We encourage the FCC to reconsider anything that would lock out competitors in a way that would inhibit the speed of wireless infrastructure build out. In particular, ACT is concerned that any bidding restrictions would negatively impact regional carriers, like C Spire Wireless and US Cellular, and not just AT&T and Verizon.¹ Regional carriers like C Spire Wireless and US Cellular will likely expand their existing footprints if they are not restricted. Therefore, restrictions that prevent them from having access to additional spectrum would harm their ability to grow.

Further, our members benefit from and enjoy the use of technologies that depend on unlicensed spectrum, such as Wi-Fi and Bluetooth. However, we understand better than anyone that Wi-Fi alone is not a replacement for licensed spectrum utilized by carrier-based networks. In fact, Wi-Fi itself is a wire-replacement standard that was not designed with the idea of seamlessly switching

¹ Amy Schatz, "Bidding Rules Becoming Clearer for Upcoming Airwaves Auction," re/code (April 14, 2014) *available at* <http://recode.net/2014/04/14/bidding-rules-becoming-clearer-for-upcoming-airwaves-auction/>.

ACT | The App Association

1401 K Street NW Suite 502
Washington, DC 20005

202.331.2130

@ACTonline

ACTonline.org

/actonline



between networks. The always-on, always-available, seamless connectivity is critical for the growth of our industry.

Tellingly, public access to the FCC's own Wi-Fi network requires a complicated, multi-digit code available only from inside the FCC. Sensibly, this is not a "publicly-available" resource as the FCC's own network administrators understand that making its Wi-Fi available to all could pose significant traffic and security problems. Providing ubiquitous Wi-Fi requires significant infrastructure, customer service, and 24-7 support. All of this involves massive capital investment on par with the expenditures of wireless carriers. This illustrates why consumer-grade Wi-Fi is not a replacement for robust, always-on wireless networks. Therefore, we need significant amounts of licensed spectrum as well as continued improvements in unlicensed spectrum technologies.

Pursuant to Section 1.1206 of the Commission's rules, this letter is being electronically filed with your office. Please let me know if I can provide any additional information.

Respectfully Submitted,

A handwritten signature in black ink that reads "E. Whitley Herndon".

E. Whitley Herndon
Policy Counsel
ACT